

CITY OF BAXTER SPRINGS, KANSAS

Independent Auditor's Report
and Financial Statement with
Supplementary Information

For the Year Ended December 31, 2017

THE MENSE CPA FIRM, LLC
Certified Public Accountants

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**The Mense
CPA Firm, LLC**
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS OF
MISSOURI SOCIETY OF CPA'S
AMERICAN INSTITUTE OF CPA'S

To the Mayor and City Council
City of Baxter Springs, Kansas

INDEPENDENT AUDITOR'S REPORT

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balance of City of Baxter Springs, Kansas, a municipality, as of and for the year ended December 31, 2017 and the related notes to the financial statement.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statement in the circumstances. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America, and the *Kansas Municipal Audit and Accounting Guide*. Those standards require we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Baxter Springs, Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Baxter Springs, Kansas as of December 31, 2017, or changes in financial position and cash flows thereof for the year then ended.

Unmodified Opinion on Regulatory Basis of Accounting

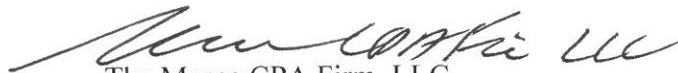
In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balance of the City of Baxter Springs, Kansas as of December 31, 2017, and the aggregate receipts and expenditures for the year ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Other Matters

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balance (basic financial statement) as a whole. The summary of regulatory basis expenditures-actual and budget and individual fund schedules of regulatory basis receipts and expenditures-actual and budget (Schedules 1 and 2 as listed in the table of contents) are presented for analysis and are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statement. The information has been subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional

procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

A handwritten signature in black ink, appearing to read "The Mense CPA Firm, LLC", written in a cursive style.

The Mense CPA Firm, LLC
Certified Public Accountants

Joplin, Missouri
June 20, 2018

CITY OF BAXTER SPRINGS, KANSAS
Summary Statement of Receipts, Expenditures, and Unencumbered Cash
Regulatory Basis
For the Year Ended December 31, 2017

Funds	Beginning Unencumbered Cash Balance	Prior Year Cancelled Encumbrances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Encumbrances and Accounts Payable	Ending Cash Balance
General Fund:							
General	\$ 320,863	\$ -	\$ 1,688,207	\$ 1,522,305	\$ 486,765	\$ 39,566	\$ 526,331
Special Purpose Funds:							
Transient Guest	11,602	-	4,833	1,499	14,936	-	14,936
Special Highway	153,524	-	106,509	83,184	176,849	2,364	179,213
Library	12,194	-	116,414	115,089	13,519	-	13,519
Library Employee Benefits	1,583	-	17,767	17,333	2,017	-	2,017
Recreation	6,213	-	13,709	13,600	6,322	-	6,322
Museum	5,549	-	77,734	76,751	6,532	-	6,532
Industrial Development	799	-	84	-	883	-	883
Special Liability	84,510	-	158	-	84,668	-	84,668
Municipal Equipment Reserve	4,250	-	200,000	-	204,250	-	204,250
Capital Improvement	50,199	-	-	-	50,199	-	50,199
Drug Forfeiture	419	-	-	-	419	-	419
Employee Benefits	239,680	-	510,914	385,961	364,633	-	364,633
Special Parks and Recreation	25	-	342	152	215	-	215
Disaster	5,346	-	2,100	7,446	-	-	-
Fire Ordinance 711	-	-	1,943	1,943	-	-	-
Memorial Fund	2,531	-	325	958	1,898	-	1,898
Bond and Interest Funds:							
Debt Service	24,817	-	359,711	358,853	25,675	-	25,675
Business Funds:							
Water	76,840	-	881,103	748,345	209,598	15,312	224,910
Sewer	1,185,426	-	444,609	715,385	914,650	18,562	933,212
Cable Television	231,656	-	7,559	221,390	17,825	-	17,825
Refuse	35,909	-	231,823	224,796	42,936	-	42,936
Trust Funds:							
Cemetery Perpetual Care	64,499	-	153	-	64,652	-	64,652
Total Reporting Entity	\$ 2,518,434	\$ -	\$ 4,665,997	\$ 4,494,990	\$ 2,689,441	\$ 75,804	\$ 2,765,245
Composition of Cash:							
					Cash on Hand		\$ 1,860
					Checking Account - American Bank		2,762,697
					Checking Account - Baxter State Bank		688
					Total Reporting Entity		\$ 2,765,245

The notes to the financial statement are an integral part of this statement.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

I.A. INTRODUCTION

The City of Baxter Springs, Kansas, was incorporated in 1858 and operates as a second class city under the Statutes of the State of Kansas, (KSA 14-101 et. seq.). The City operates under a Mayor-Council form of government. Major services provided by the City include: Public Safety - Police and Fire, Highways and Streets, Sanitation, Health and Social Services, Culture - Recreation, Public Improvements, Planning and Zoning, and General Administrative Services. In addition, the City provides Water and Sewer Utility Services.

I.B. FINANCIAL REPORTING ENTITY

This financial statement presents the City of Baxter Springs, Kansas, (the municipality) as defined in K.S.A. 75-1117.

Related Municipal Entities: A related municipal entity is any legally separate municipal organization which was established to benefit the municipality or its' constituents. Related municipal entities are not required to be included in the City's audit by the Kansas Municipal Audit and Accounting Guide (KMAAG). Based upon the application of this criterion, the following is a brief review of potential related municipal entities:

Library Board. The City of Baxter Springs Library Board operates the City's public library. Acquisition or disposition of real property by the Board must be approved by the City. Bond issuances must also be approved by the City. The City levies taxes for the Library.

Recreation Commission. The City of Baxter Springs Recreation Commission oversees recreation activities. The Recreation Commission operates as a separate governing body but the City levies taxes for the recreation commission and the recreation commission has only the powers granted by statute, K.S.A. 12-1928.

Museum Board. The City of Baxter Springs Museum Board oversees the museum. The City levies taxes for the Museum Board. Bond issues must be approved by the City.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.C. REGULATORY BASIS FUND TYPES

The accounts of the City are organized into funds each of which is considered to be a separate accounting entity. The operations of each fund is summarized by providing a separated set of self-balancing accounts. The following fund types are used by the City:

General Fund—the chief operating fund. Used to account for all resources except those required to be accounted for in another fund.

Special Purpose Fund—used to account for the proceeds of specific tax levies and other specific regulatory receipt sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Bond and Interest Fund—used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Business Fund—funds financed in whole or in part by fees charged to users of the goods or services (i.e. enterprise and internal service fund etc.)

Trust Fund—funds used to report assets held in trust for the benefit of the municipal financial reporting entity (i.e. pension funds, investment trust funds, private purpose trust funds which benefit the municipal reporting entity, scholarship funds, etc.)

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.D. BASIS OF ACCOUNTING

Regulatory Basis of Accounting and Departure from Accounting Principles Generally Accepted in the United States of America. The Kansas Municipal Audit and Accounting Guide (KMAAG) regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis receipts and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measured and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The municipality has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the municipality to use the regulatory basis of accounting.

I.E. BUDGETARY INFORMATION

Kansas statutes require that an annual operating budget be legally adopted for the general fund, special purpose funds (unless specifically exempted by statute), bond and interest funds, and business funds. Although directory rather than mandatory, the statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget.

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper on or before August 5th of the proposed budget and notice of public hearing on the budget.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in regulatory receipts other than ad valorem property taxes. To do this, a notice of public hearing to amend the budget must be published in the local newspaper. At least ten days after publication, the hearing may be held and the governing body may amend the budget at that time. There were no such budget amendments for this year.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.E. BUDGETARY INFORMATION (CONTINUED)

The statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds. Budget comparison schedules are presented for each fund showing actual receipts and expenditures compared to legally budgeted receipts and expenditures.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, regulatory receipts are recognized when cash is received and expenditures include disbursements, accounts payable, and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the municipality for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end.

A legal operating budget is not required for capital project funds, trust funds, and the following special purpose fund:

Special Liability Fund
Municipal Equipment Reserve Fund
Capital Improvement Fund

Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

I.F. ASSETS AND LIABILITIES

I.F.1. Cash and Investments

The City pools cash resources of its various funds to facilitate the management of cash. Cash applicable to a particular fund is readily identifiable. The balance in the pool cash accounts is available to meet current operating requirements. Cash in excess of current requirements is invested in time deposits.

Additional cash and investment information is presented in Note III.A.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

I.G. RECEIPTS AND EXPENDITURES

I.G.1. Sales Tax

The City of Baxter Springs, Kansas levies a 1% sales tax on taxable sales within the City. The tax is collected by the Kansas Department of Revenue and remitted to the City. The tax is placed in the General Fund to provide city services.

I.G.2. Property Tax

Property taxes are an enforceable lien on property as of January 1. Taxes are levied on November 1 and are due and payable one-half on December 20th and one-half on May 10th of the ensuing year. Unpaid taxes become delinquent after the due dates.

The assessed valuation of tangible property for the calendar year 2017 for the purposes of taxation was \$20,508,260.

The tax levy per \$100.00 of assessed valuation of tangible property for the calendar year was \$5.80. The levy is composed of the sum of the legal tax levies for all funds with authorized levies.

Collection of current year property tax by the County Treasurer is not completed, apportioned, nor distributed to the various subdivisions until the succeeding year, such procedure being in conformity with governing state statutes. These taxes are used to finance budgeted expenditures for the succeeding year in accordance with Kansas Statutes.

I.G.3. Reimbursements

The City records reimbursable expenditures in the fund that makes the disbursement and records reimbursements as a receipt to the fund that receives the reimbursement. For purposes of budgetary comparisons, the expenditures are properly offset by the reimbursements under KMAAG regulatory basis accounting.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

II.A. STATUTORY COMPLIANCE

The Museum, Sewer and Cable Television Funds expenditures exceeded budgeted limits. (K.S.A. 79-2935).

III. DETAILED NOTES ON FUNDS AND ACCOUNTS

III.A. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by the City. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of FDIC coverage. The City has no other policies that would further limit interest rate risk.

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk. State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits. Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. State statutes require the City's deposits in financial institutions to be entirely covered by federal depository insurance or by collateral held under a joint custody receipt issued by a bank within the State of Kansas, the Federal Reserve Bank of Kansas City, or the Federal Home Loan Bank of Topeka, except during designated "peak periods" when required coverage is 50%. The City does not designate "peak periods". All deposits were legally secured at December 31, 2017.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

III. DETAILED NOTES ON FUNDS AND ACCOUNTS (CONTINUED)

III.A. DEPOSITS AND INVESTMENTS (CONTINUED)

At December 31, 2017, the City's carrying amount of deposits was \$2,763,385 and the bank balance was \$2,824,017. Ninety-nine percent of the bank balance was held by one bank resulting in a concentration of credit risk. Of the bank balance, \$250,688 was covered by federal depository insurance and \$2,573,329 was secured by securities held by the pledging financial institutions' agents in the City's name.

III.B. RESTRICTED ASSETS

The following amounts in the following funds are restricted as follows:

General Fund -		
Municipal Court Bonds	\$	7,531
Vehicle Inspection Fees (Law Enforcement)		<u>13,512</u>
Totals	\$	<u><u>21,043</u></u>

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

IV. LONG-TERM DEBT

Changes in long-term liabilities for the City of Baxter Springs, Kansas for year ended December 31, 2017 were as follows:

Issue	Interest Rates	Date of Issue	Amount of Issue	Date of Final Maturity	Balance Beginning of Year	Additions	Reductions/ Payments	Balance End of Year	Interest Paid
General Obligation Bonds:									
Series 2012	.40-1.75%	11/15/2012	\$ 1,805,000	8/1/2022	\$ 1,215,000	\$ -	\$ 195,000	\$ 1,020,000	\$ 15,703
Series 2013	.50-3.25%	9/15/2013	\$ 1,390,000	12/1/2024	1,015,000	-	125,000	890,000	23,150
Total General Obligation Bonds					\$ 2,230,000	\$ -	\$ 320,000	\$ 1,910,000	\$ 38,853
KDHE Loan:									
Sewer Project	3.57%	4/11/2000	\$ 622,243	9/1/2021	\$ 170,462	\$ -	\$ 35,570	\$ 134,892	\$ 5,771
Capital Leases Payable:									
Special Highway - Case 580 Backhoe and Loader	2.75%	7/22/2015	\$ 69,950	7/22/2018	\$ 47,263	\$ -	\$ 23,906	\$ 23,357	\$ 1,294
Fire Department - Scott SCBA Airpacks (20)	2.95%	4/16/2015	\$ 119,070	4/16/2020	96,620	-	23,112	73,508	2,850
Fire Department - Ford F-350	2.50%	5/5/2016	\$ 36,654	5/5/2019	28,748	-	12,116	16,632	579
Fire Department - Pierce Enforcer Pumper	3.98%	2/12/2016	\$ 473,689	2/12/2027	473,689	-	29,626	444,063	18,854
Special Highway and Sewer - Takeuchi Track Loader	2.50%	6/20/2016	\$ 102,400	6/20/2020	102,400	-	24,660	77,740	2,560
Total Capital Leases Payable					\$ 748,720	\$ -	\$ 113,420	\$ 635,300	\$ 26,137
Total Contractual Indebtedness					\$ 3,149,182	\$ -	\$ 468,990	\$ 2,680,192	\$ 70,761

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

IV. LONG-TERM DEBT (CONTINUED)

Current maturities of long-term debt and interest for the next five years and in five year increments through maturity are as follows:

	Year						
	2018	2019	2020	2021	2022	2023-2027	Total
Principal:							
General Obligation Bonds	\$ 325,000	\$ 330,000	\$ 335,000	\$ 340,000	\$ 345,000	\$ 235,000	\$ 1,910,000
KDHE Loan	36,851	38,179	39,554	20,308	-	-	134,892
Capital Leases Payable	115,657	86,647	85,078	34,632	36,011	277,275	635,300
Total principal	\$ 477,508	454,826	\$ 459,632	\$ 394,940	\$ 381,011	\$ 512,275	\$ 2,680,192
Interest:							
General Obligation Bonds	\$ 35,342	\$ 30,925	\$ 25,644	\$ 19,639	\$ 12,835	\$ 8,593	\$ 132,978
KDHE Loan	4,490	3,162	1,787	361	-	-	9,800
Capital Leases Payable	22,683	19,247	16,584	13,848	12,469	35,325	120,156
Total interest	\$ 62,515	\$ 53,334	\$ 44,015	\$ 33,848	\$ 25,304	\$ 43,918	\$ 262,934
Total principal and interest	\$ 540,023	\$ 508,160	\$ 503,647	\$ 428,788	\$ 406,315	\$ 556,193	\$ 2,943,126

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

V. CONDUIT DEBT

To provide for capital improvements, the City of Baxter Springs, Kansas issued Industrial Revenue Bonds, (Atec Steel, L.L.C.) Series 2007, in the amount of \$3,000,000. The bonds are special limited obligations of the City, and payable solely from revenues derived from certain fees, rentals, revenues and other amounts derived by the City from a lease between the City and Atec Steel, L.L.C. The bonds do not constitute an indebtedness of the City or a pledge of the general credit or taxing powers of the City; and accordingly, have not been reported in the accompanying financial statement.

The amount of bonds outstanding for this issue at December 31, 2017 was \$817,724.

VI. RISK MANAGEMENT

The City is exposed to various risks of loss related to torts; theft of; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City manages these various risks by carrying commercial insurance. There have been no significant reductions in insurance coverage. Settlements have not exceeded insurance coverage for the current or three prior years.

VII. INTERFUND TRANSFERS

Operating transfers were as follows:

<u>From</u>	<u>To</u>	<u>Regulatory Authority</u>	<u>Amount</u>
Water Fund	General Fund	KSA 12-825d	\$ 8,854
Sewer Fund	Debt Service Fund	KSA 12-825d	359,172
Cable Television Fund	Water Fund	KSA 12-825d	688
Cable Television Fund	Municipal Equipment Reserve Fund	KSA 12-825d	200,000
Disaster Fund	General Fund	Resolution	346

VIII. PENSION PLAN

Plan description

The City of Baxter Springs, Kansas participates in the Kansas Public Employees Retirement System (KPERS), a cost-sharing multiple-employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. KPERS' financial statements are included in its Comprehensive Annual Financial Report which can be found on the KPERS website at www.kpers.org or by writing to KPERS (611 South Kansas, Suite 100, Topeka, KS 66603) or by calling 1-888-275-5737.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

VIII. PENSION PLAN (CONTINUED)

Contributions

K.S.A. 74-4919 and 74-49,210 establish the KPERS member-employee contribution rates. KPERS has multiple benefit structures and contribution rates depending on whether the employee is a KPERS 1, KPERS 2 or KPERS 3 member. KPERS 1 members are active and contributing members hired before July 1, 2009. KPERS 2 members were first employed in a covered position on or after July 1, 2009, KPERS 3 members were first employed in a covered position on or after January 1, 2015. Effective January 1, 2015, Kansas law established the KPERS member-employee contribution rate at 6% of covered salary for KPERS 1, KPERS 2 and KPERS 3 members. Member contributions are withheld by their employer and paid to KPERS according to the provisions of Section 414(h) of the Internal Revenue Code.

State law provides that the employer contribution rates for KPERS 1 and KPERS 2 and KPERS 3 be determined based on the results of each annual actuarial valuation. Kansas law sets a limitation on annual increases in the employer contribution rates. The actuarially determined employer contribution rate (not including the 1% contribution rate with a 0% moratorium from the period January 1, 2017 through September 30, 2017 for the Death and Disability Program) and the statutory contribution rate was 8.46% for the fiscal year ended December 31, 2017. Contributions to the pension plan from City of Baxter Springs, Kansas were \$90,858 for the year ended December 31, 2017.

Net Pension Liability

At December 31, 2017, the City of Baxter Springs, Kansas's proportionate share of the collective net pension liability reported by KPERS was \$955,648. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of December 31, 2016, which was rolled forward to June 30, 2017. The City of Baxter Springs, Kansas's proportion of the net pension liability was based on the ratio of the City of Baxter Springs, Kansas's contributions to KPERS, relative to the total employer and non-employer contributions of the Local subgroup within KPERS. Since the KMAAG regulatory basis of accounting does not recognize long-term debt, this liability is not reported in this financial statement.

The complete actuarial valuation report including all actuarial assumptions and methods, and the report on the allocation of the KPERS collective net pension liability to all participating employers are publicly available on the website at www.kpers.org or can be obtained as described above.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

IX. OTHER LONG-TERM OBLIGATIONS FROM OPERATIONS

Other Post Employment Benefits. As provided by K.S.A. 12-540, the City allows retirees to participate in the group health insurance plan. While each retiree pays the full amount of the applicable premium, conceptually, the City is subsidizing the retirees because each participant is charged a level of premium regardless of age. However, the cost of this subsidy has not been quantified in this financial statement.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid in full by the insured.

Compensated Absences. The City's policies regarding vacation and sick pay permit employees to accumulate a maximum of five weeks of vacation time and a maximum of 45 days of sick pay. Vacation time is paid to employees upon termination. Sick leave is forfeited upon termination. At December 31, 2017, management estimates that the value of accumulated vacation to not be material.

X. TAX ABATEMENTS

Neighborhood Revitalization Program

The City approved a Neighborhood Revitalization Program (NRP) on July 28, 2015, by the passage of Ordinance 902. Applicants must apply for the rebate during the five year program period. Applicants must meet the criteria of the program. There must be a minimum investment of \$5,000 for residential property and \$10,000 for commercial and/or industrial property, to receive the rebate.

There were no property taxes rebated under the NRP during 2017.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

X. TAX ABATEMENTS (CONTINUED)

Other Tax Abatements

The City negotiates property tax agreements on an individual basis. The City has a tax abatement agreement with Six Pet Nutrition. The agreement exempts property from taxation as follows:

<u>Tax Year</u>	<u>Percentage of Abatement</u>
2013	100%
2014	100%
2015	100%
2016	100%
2017	100%
2018	80%
2019	60%
2020	40%
2021	40%
2022	20%
2023	0%

The amount of tax abated during 2017 was \$46,478.

XI. CONTINGENCIES

XI.A. LITIGATION

During the ordinary course of its operations the City is a party to various claims, legal actions and complaints. It is the opinion of the City's management and legal counsel that these matters are not anticipated to have a material financial impact on the City.

XI.B. GRANT PROGRAM INVOLVEMENT

In the normal course of operations, the City participates in various federal and state grant/loan programs from year to year. The grant/loan programs are often subject to additional audits by agents of the granting or loaning agency, the purpose of which is to ensure compliance with the specific conditions of the grant or loan. Any liability for reimbursement which may arise as a result of these audits cannot be reasonably determined at this time, although it is believed the amount, if any, would not be material.

CITY OF BAXTER SPRINGS, KANSAS

Notes to the Financial Statement

December 31, 2017

XII. SUBSEQUENT EVENTS

Management has evaluated the effects on the financial statement of subsequent events occurring through the date of this report, which is the date at which the financial statement was available to be issued.

At a special election held on November 7th, 2017 a majority of the electors voted to authorize an additional 1% sales tax on retail sales for the purposes of operating and maintaining levels of emergency services, law enforcement, public safety and infrastructure. The tax was effective April 1, 2018.

**REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION**

CITY OF BAXTER SPRINGS, KANSAS

Summary of Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2017

Funds	Certified Budget	Adjustment for Qualifying Budget Credits	Total Budget for Comparison	Expenditures Chargeable to Current Year	Variance - Over (Under)
General Fund:					
General	\$ 1,760,349	\$ -	\$ 1,760,349	\$ 1,522,305	\$ (238,044)
Special Purpose Funds:					
Transient Guest	19,510	-	19,510	1,499	(18,011)
Special Highway	212,937	-	212,937	83,184	(129,753)
Library	115,089	-	115,089	115,089	-
Library Employee Benefits	17,333	-	17,333	17,333	-
Recreation	13,600	-	13,600	13,600	-
Museum	74,262	-	74,262	76,751	2,489
Industrial Development	1,491	-	1,491	-	(1,491)
Drug Forfeiture	419	-	419	-	(419)
Employee Benefits	578,697	-	578,697	385,961	(192,736)
Special Parks and Recreation	152	-	152	152	-
Fire Ordinance 711	20,000	-	20,000	1,943	(18,057)
Memorial	15,176	-	15,176	958	(14,218)
Bond and Interest Funds:					
Debt Service	383,953	-	383,953	358,853	(25,100)
Business Funds:					
Water	773,500	-	773,500	748,345	(25,155)
Sewer	686,982	-	686,982	715,385	28,403
Cable Television	200,000	-	200,000	221,390	21,390
Refuse	270,000	-	270,000	224,796	(45,204)

CITY OF BAXTER SPRINGS, KANSAS
General Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 424,620	\$ 412,961	\$ 11,659
Delinquent Tax	12,442	10,458	1,984
Motor Vehicle Tax	39,753	30,446	9,307
Recreational Vehicle Tax	323	199	124
16/20 M Vehicle Tax	288	63	225
Commercial Vehicle Tax	241	285	(44)
Watercraft Tax	137	138	(1)
Sales Tax	709,345	653,122	56,223
Liquor Drink Tax	341	51	290
Fines	136,486	180,000	(43,514)
Community Building Fees	-	3,000	(3,000)
Vehicle Inspection Fees	9,080	9,000	80
Sale of Cemetery Lots	867	1,500	(633)
Grave Opening	9,400	10,000	(600)
Franchise Fees	276,994	260,000	16,994
Permits	875	1,500	(625)
Liquor Licenses	801	600	201
Cereal Malt Beverage Licenses	525	1,000	(475)
Swimming Pool Receipts	14,734	16,000	(1,266)
Animal Tags	235	300	(65)
Park and Camping Fees	6,615	4,000	2,615
Mowing and Weed Notices	1,720	500	1,220
Other	27,108	50,000	(22,892)
Interest	5,032	400	4,632
Charges for Mowing and Demolition	1,045	3,000	(1,955)
Operating Transfers	9,200	-	9,200
Total Receipts	<u>\$ 1,688,207</u>	<u>\$ 1,648,523</u>	<u>\$ 39,684</u>
Expenditures:			
City Clerk	\$ 52,541	\$ 62,100	\$ (9,559)
Police	666,261	843,193	(176,932)
VIN Inspections (Law Enforcement)	7,548	9,000	(1,452)
Fire	136,300	156,268	(19,968)
Street	399,405	406,886	(7,481)
Community Services	5,736	11,550	(5,814)
Cemetery	59,234	72,675	(13,441)
Code Enforcement	32,492	48,874	(16,382)
Community Center	16,028	17,000	(972)
Swimming Pool	36,253	33,450	2,803
Public Works	23,370	-	23,370
Capital Lease - Fire Truck	12,695	-	12,695
Capital Lease - Fire Equipment	25,962	25,962	-
Capital Lease - Fire Truck	48,480	48,780	(300)
Capital Lease - Street Backhoe	-	24,611	(24,611)
Total Expenditures	<u>\$ 1,522,305</u>	<u>\$ 1,760,349</u>	<u>\$ (238,044)</u>
Receipts Over (Under) Expenditures	\$ 165,902		
Unencumbered Cash, Beginning	320,863		
Unencumbered Cash, Ending	<u>\$ 486,765</u>		

CITY OF BAXTER SPRINGS, KANSAS
Transient Guest Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Guest Tax	\$ 4,833	\$ 13,000	\$ (8,167)
Expenditures:			
Convention and Tourism	\$ 1,499	\$ 19,510	\$ (18,011)
Receipts Over (Under) Expenditures	\$ 3,334		
Unencumbered Cash, Beginning	11,602		
Unencumbered Cash, Ending	\$ 14,936		

CITY OF BAXTER SPRINGS, KANSAS
Special Highway Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
State of Kansas Gas Tax	\$ 106,509	\$ 105,710	\$ 799
Expenditures:			
Public Works	\$ 44,374	\$ 212,937	\$ (168,563)
Capital Lease - Backhoe	25,200	-	25,200
Capital Lease - Track Loader	13,610	-	13,610
Total Expenditures	\$ 83,184	\$ 212,937	\$ (129,753)
Receipts Over (Under) Expenditures	\$ 23,325		
Unencumbered Cash, Beginning	153,524		
Unencumbered Cash, Ending	\$ 176,849		

CITY OF BAXTER SPRINGS, KANSAS

Library Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 98,685	\$ 95,907	\$ 2,778
Delinquent Tax	4,150	4,596	(446)
Motor Vehicle Tax	13,253	10,515	2,738
Recreational Vehicle Tax	107	69	38
16/20 M Vehicle Tax	89	22	67
Commercial Vehicle Tax	83	99	(16)
Watercraft Tax	47	48	(1)
Total Receipts	<u>\$ 116,414</u>	<u>\$ 111,256</u>	<u>\$ 5,158</u>
Expenditures:			
Appropriations to Library Board	<u>\$ 115,089</u>	<u>\$ 115,089</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 1,325		
Unencumbered Cash, Beginning	<u>12,194</u>		
Unencumbered Cash, Ending	<u>\$ 13,519</u>		

CITY OF BAXTER SPRINGS, KANSAS
Library Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 15,063	\$ 14,645	\$ 418
Delinquent Tax	653	703	(50)
Motor Vehicle Tax	2,001	1,585	416
Recreational Vehicle Tax	16	10	6
16/20 M Vehicle Tax	14	3	11
Commercial Vehicle Tax	13	15	(2)
Watercraft Tax	7	7	-
Total Receipts	<u>\$ 17,767</u>	<u>\$ 16,968</u>	<u>\$ 799</u>
Expenditures:			
Appropriations to Library Board	<u>\$ 17,333</u>	<u>\$ 17,333</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 434		
Unencumbered Cash, Beginning	<u>1,583</u>		
Unencumbered Cash, Ending	<u>\$ 2,017</u>		

CITY OF BAXTER SPRINGS, KANSAS
 Recreation Fund
 Schedule of Receipts and Expenditures - Actual and Budget
 Regulatory Basis
 For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 12,272	\$ 11,928	\$ 344
Delinquent Tax	500	704	(204)
Motor Vehicle Tax	916	936	(20)
Recreational Vehicle Tax	7	6	1
16/20 M Vehicle Tax	3	2	1
Commercial Vehicle Tax	7	9	(2)
Watercraft Tax	4	4	-
Total Receipts	<u>\$ 13,709</u>	<u>\$ 13,589</u>	<u>\$ 120</u>
Expenditures:			
Appropriation to Recreation Commission	<u>\$ 13,600</u>	<u>\$ 13,600</u>	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 109		
Unencumbered Cash, Beginning	<u>6,213</u>		
Unencumbered Cash, Ending	<u>\$ 6,322</u>		

CITY OF BAXTER SPRINGS, KANSAS

Museum Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 66,437	\$ 64,566	\$ 1,871
Delinquent Tax	2,518	2,789	(271)
Motor Vehicle Tax	8,568	6,724	1,844
Recreational Vehicle Tax	69	44	25
16/20 M Vehicle Tax	59	14	45
Commercial Vehicle Tax	53	63	(10)
Watercraft Tax	30	31	(1)
Total Receipts	<u>\$ 77,734</u>	<u>\$ 74,231</u>	<u>\$ 3,503</u>
Expenditures:			
Appropriation to Museum Bond	<u>\$ 76,751</u>	<u>\$ 74,262</u>	<u>\$ 2,489</u>
Receipts Over (Under) Expenditures	\$ 983		
Unencumbered Cash, Beginning	<u>5,549</u>		
Unencumbered Cash, Ending	<u>\$ 6,532</u>		

CITY OF BAXTER SPRINGS, KANSAS
Industrial Development Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts:			
Taxes and Shared Revenue:			
Delinquent Tax	\$ 84	\$ -	\$ 84
Expenditures:			
Economic Development	\$ -	\$ 1,491	\$ (1,491)
Receipts Over (Under) Expenditures	\$ 84		
Unencumbered Cash, Beginning	<u>799</u>		
Unencumbered Cash, Ending	<u>\$ 883</u>		

CITY OF BAXTER SPRINGS, KANSAS
Special Liability Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2017

	<u>Actual</u>
Receipts:	
Taxes and Shared Revenue:	
Delinquent Tax	<u>\$ 158</u>
Expenditures	
Insurance	<u>\$ -</u>
Receipts Over (Under) Expenditures	<u>\$ 158</u>
Unencumbered Cash, Beginning	<u>84,510</u>
Unencumbered Cash, Ending	<u><u>\$ 84,668</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Municipal Equipment Reserve Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2017

	<u>Actual</u>
Receipts:	
Operating Transfers	<u>\$ 200,000</u>
Expenditures:	
Capital Outlay	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 200,000
Unencumbered Cash, Beginning	<u> 4,250</u>
Unencumbered Cash, Ending	<u><u>\$ 204,250</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Capital Improvement Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2017

	<u>Actual</u>
Receipts:	
Operating Transfers	<u>\$ -</u>
Expenditures:	
Capital Outlay	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ -
Unencumbered Cash, Beginning	<u>50,199</u>
Unencumbered Cash, Ending	<u><u>\$ 50,199</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Drug Forfeiture Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Intergovernmental Receipts	\$ -	\$ -	\$ -
Expenditures:			
Public Safety	\$ -	\$ 419	\$ (419)
Receipts Over (Under) Expenditures	\$ -		
Unencumbered Cash, Beginning	419		
Unencumbered Cash, Ending	\$ 419		

CITY OF BAXTER SPRINGS, KANSAS
Employee Benefits Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Revenue:			
Ad Valorem Property Tax	\$ 428,084	\$ 416,007	\$ 12,077
Delinquent Tax	17,730	17,779	(49)
Motor Vehicle Tax	63,568	51,735	11,833
Recreational Vehicle Tax	511	339	172
16/20 M Vehicle Tax	379	108	271
Commercial Vehicle Tax	410	486	(76)
Watercraft Tax	232	235	(3)
Total Receipts	<u>\$ 510,914</u>	<u>\$ 486,689</u>	<u>\$ 24,225</u>
Expenditures:			
General Government	<u>\$ 385,961</u>	<u>\$ 578,697</u>	<u>\$ (192,736)</u>
Receipts Over (Under) Expenditures	\$ 124,953		
Unencumbered Cash, Beginning	<u>239,680</u>		
Unencumbered Cash, Ending	<u>\$ 364,633</u>		

CITY OF BAXTER SPRINGS, KANSAS
Special Parks and Recreation
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Liquor Drink Tax	\$ 342	\$ 51	\$ 291
Expenditures:			
Recreation	\$ 152	\$ 152	\$ -
Receipts Over (Under) Expenditures	\$ 190		
Unencumbered Cash, Beginning	25		
Unencumbered Cash, Ending	\$ 215		

CITY OF BAXTER SPRINGS, KANSAS
Disaster Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2017

	<u>Actual</u>
Receipts:	
Other	<u>\$ 2,100</u>
Expenditures:	
Public Works	\$ 7,100
Operating Transfers	<u> 346</u>
Total Expenditures	<u>\$ 7,446</u>
Receipts Over (Under) Expenditures	\$ (5,346)
Unencumbered Cash, Beginning	<u> 5,346</u>
Unencumbered Cash, Ending	<u><u>\$ -</u></u>

CITY OF BAXTER SPRINGS, KANSAS
Fire Ordinance 711 Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Insurance Proceeds	\$ 1,943	\$ 20,000	\$ (18,057)
Expenditures:			
Public Works	\$ 1,943	\$ 20,000	\$ (18,057)
Receipts Over (Under) Expenditures	\$ -		
Unencumbered Cash, Beginning	-		
Unencumbered Cash, Ending	\$ -		

CITY OF BAXTER SPRINGS, KANSAS
Memorial Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Donations	\$ 325	\$ 15,000	\$ (14,675)
Expenditures:			
Culture	\$ 958	\$ 15,176	\$ (14,218)
Receipts Over (Under) Expenditures	\$ (633)		
Unencumbered Cash, Beginning	2,531		
Unencumbered Cash, Ending	\$ 1,898		

CITY OF BAXTER SPRINGS, KANSAS
Debt Service Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Taxes and Shared Revenue:			
Delinquent Tax	\$ 539	\$ 1,066	\$ (527)
Operating Transfers	359,172	359,172	-
Total Receipts	\$ 359,711	\$ 360,238	\$ (527)
Expenditures:			
Principle	\$ 320,000	\$ 320,000	\$ -
Interest and Fees	38,853	38,953	(100)
Cash Basis Reserve	-	25,000	(25,000)
Total Expenditures	\$ 358,853	\$ 383,953	\$ (25,100)
Receipts Over (Under) Expenditures	\$ 858		
Unencumbered Cash, Beginning	24,817		
Unencumbered Cash, Ending	\$ 25,675		

CITY OF BAXTER SPRINGS, KANSAS

Water Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Charges for Services	\$ 860,182	\$ 857,000	\$ 3,182
Sales Tax	15,275	15,500	(225)
Insurance Proceeds	4,958	-	4,958
Operating Transfers	688	-	688
Total Receipts	<u>\$ 881,103</u>	<u>\$ 872,500</u>	<u>\$ 8,603</u>
Expenditures:			
Personal Services	\$ 380,541	\$ 400,000	\$ (19,459)
Contractual Services	87,359	90,000	(2,641)
Commodities	219,728	215,000	4,728
Other	1,138	5,000	(3,862)
Water Protection Fee	7,142	8,000	(858)
Capital Outlay	17,783	35,000	(17,217)
Sales Tax	15,124	15,500	(376)
Maintenance	10,676	5,000	5,676
Operating Transfers	8,854	-	8,854
Total Expenditures	<u>\$ 748,345</u>	<u>\$ 773,500</u>	<u>\$ (25,155)</u>
Receipts Over (Under) Expenditures	\$ 132,758		
Unencumbered Cash, Beginning	<u>76,840</u>		
Unencumbered Cash, Ending	<u>\$ 209,598</u>		

CITY OF BAXTER SPRINGS, KANSAS

Sewer Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Charges for Services	\$ 444,036	\$ 460,000	\$ (15,964)
Other	573	-	573
	<u>444,609</u>	<u>460,000</u>	<u>(15,391)</u>
Total Receipts	<u>\$ 444,609</u>	<u>\$ 460,000</u>	<u>\$ (15,391)</u>
Expenditures:			
Personal Services	\$ 164,801	\$ 146,469	\$ 18,332
Contractual Services	32,934	35,000	(2,066)
Commodities	84,757	88,000	(3,243)
KDHE Loan Payment	41,341	41,341	-
Other	5,661	3,000	2,661
Maintenance	13,109	9,000	4,109
Capital Outlay	-	5,000	(5,000)
Capital Lease - Track Loader	13,610	-	13,610
Operating Transfers	359,172	359,172	-
	<u>715,385</u>	<u>686,982</u>	<u>28,403</u>
Total Expenditures	<u>\$ 715,385</u>	<u>\$ 686,982</u>	<u>\$ 28,403</u>
Receipts Over (Under) Expenditures	\$ (270,776)		
Unencumbered Cash, Beginning	<u>1,185,426</u>		
Unencumbered Cash, Ending	<u>\$ 914,650</u>		

CITY OF BAXTER SPRINGS, KANSAS
Cable Television Fund
Schedule of Receipts and Expenditures - Actual and Budget
Regulatory Basis
For the Year ended December 31, 2017

	Actual	Budget	Variance - Over (Under)
Receipts:			
Charges for Services	\$ 6,003	\$ -	\$ 6,003
Sales Tax	11	-	11
Interest	-	500	(500)
Other	1,545	-	1,545
	<u>7,559</u>	<u>500</u>	<u>7,059</u>
Total Receipts	<u>\$ 7,559</u>	<u>\$ 500</u>	<u>\$ 7,059</u>
Expenditures:			
Contractual Services	\$ 20,417	\$ -	\$ 20,417
Other	285	-	285
Operating Transfers	200,688	200,000	688
	<u>221,390</u>	<u>200,000</u>	<u>21,390</u>
Total Expenditures	<u>\$ 221,390</u>	<u>\$ 200,000</u>	<u>\$ 21,390</u>
Receipts Over (Under) Expenditures	\$ (213,831)		
Unencumbered Cash, Beginning	<u>231,656</u>		
Unencumbered Cash, Ending	<u>\$ 17,825</u>		

CITY OF BAXTER SPRINGS, KANSAS

Refuse Fund

Schedule of Receipts and Expenditures - Actual and Budget

Regulatory Basis

For the Year ended December 31, 2017

	<u>Actual</u>	<u>Budget</u>	<u>Variance - Over (Under)</u>
Receipts:			
Charges For Services	<u>\$ 231,823</u>	<u>\$ 270,000</u>	<u>\$ (38,177)</u>
Expenditures:			
Sanitation	<u>\$ 224,796</u>	<u>\$ 270,000</u>	<u>\$ (45,204)</u>
Receipts Over (Under) Expenditures	\$ 7,027		
Unencumbered Cash, Beginning	<u>35,909</u>		
Unencumbered Cash, Ending	<u>\$ 42,936</u>		

CITY OF BAXTER SPRINGS, KANSAS
Cemetery Perpetual Care Fund
Schedule of Receipts and Expenditures
Regulatory Basis
For the Year ended December 31, 2017

	<u>Actual</u>
Receipts:	
Sale of Cemetery Lots	<u>\$ 153</u>
Expenditures:	
Public Works	<u>\$ -</u>
Receipts Over (Under) Expenditures	\$ 153
Unencumbered Cash, Beginning	<u>64,499</u>
Unencumbered Cash, Ending	<u><u>\$ 64,652</u></u>